



CONTINENTAL BANK

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO • 231 SOUTH LA SALLE STREET, CHICAGO, ILLINOIS 60693

RECORDATION NO. 9124-C Filed 14th

APR 2 1981 - 10 50 AM

INTERSTATE COMMERCE COMMISSION

REGISTERED MAIL
Office of the Secretary
Interstate Commerce Commission
Washington, D.C. 20423

428
2345

No. 80
APR 2 1981
Date.....
Fee \$ 10.00
ICC Washington, D. C.

Dear Sir or Madam:

Enclosed for recordation by your office, pursuant to 49 U.S.C.A. §11303, are an executed original and two (2) executed counterparts of an Amendment, dated as of November 21, 1980, among PLM Flat Car Program 1976 ("Flat Car"), PLM, Inc. (formerly known as Professional Lease Management, Inc.) and Continental Illinois National Bank and Trust Company of Chicago ("Bank"), amending, inter alia, the Security Agreement, dated as of November 8, 1976, among Flat Car, principal debtor, the Bank, as lender, and Professional Lease Management, Inc., as guarantor of certain obligations of Flat Car to the Bank ("Security Agreement"), which Security Agreement was recorded with the Interstate Commerce Commission ("ICC") on December 15, 1977, at 11:20 A.M. and assigned Recordation No. 9124.

Under the terms of the Security Agreement, Flat Car granted to the Bank a security interest in, inter alia, the following leases, which had been assigned to Flat Car by Professional Lease Management, Inc., and the railroad cars leased thereunder:

- a) Railroad Car Lease Agreement, dated April 15, 1976, between Professional Lease Management, Inc., as Lessor, and Allis-Chalmers Corporation, as Lessee, covering one (1) depressed center railroad flat car, numbered PLMX 100, and designated in said lease as Car A, said lease having been recorded with the ICC on December 15, 1977, at 11:20 A.M. and assigned Recordation No. 9124-A; and

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Office of the Secretary
Interstate Commerce Commission

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- b) Railroad Car Lease Agreement, dated April 15, 1976, between Professional Lease Management, Inc., as Lessor, and Allis-Chalmers Corporation, as Lessee, covering one (1) depressed center railroad flat car, numbered PLMX 101, and designated in said lease as Car B, said lease having been recorded with the ICC on December 15, 1977, at 11:20 A.M. and assigned Recordation No. 9124-B.

The addresses of the various parties noted above are as follows:

- a) PLM Flat Car Program 1976
50 California Street
San Francisco, California 94111
- b) PLM, Inc. (formerly known as Professional Lease Management, Inc.)
50 California Street
San Francisco, California 94111
- c) Continental Illinois National Bank and Trust Company of Chicago
231 South LaSalle Street
Chicago, Illinois 60693
- d) Allis-Chalmers Corporation
Hydro-Turbine Division
P.O. Box 712
York, Pennsylvania 17405

Also enclosed is a check payable to your order for the required recordation fee of \$10.00.

Upon recordation of the enclosed documents kindly return the original to Craig C. Rice of our Law Department, at the Bank's address noted above.

Thank you for your assistance in this matter.

Sincerely,

Linda M. Hopkins
Second Vice President

cld

Enclosures (4)

Interstate Commerce Commission
Washington, D.C. 20423

4/10/81

OFFICE OF THE SECRETARY

**Craig C. Rice,
Continental Bank
231 South LaSalle St.
Chicago, Illinois 60693**

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **4/2/81** at **10:50am**, and assigned recordation number(s). **9124-C**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

AMENDMENT

APR 2 1981 -10 50 AM

THIS AMENDMENT is made and entered into as ~~INTERSTATE COMMERCE COMMISSION~~ November 1980, by and among PLM Flat Car Program 1976 (the "Borrower"), PLM, Inc., formerly called Professional Lease Management, Inc. (the "General Partner"), and Continental Illinois National Bank and Trust Company of Chicago (the "Bank").

WHEREAS, the Borrower, the General Partner and the Bank have heretofore entered into a Security Agreement, dated as of November 8, 1976 (the "Security Agreement"), securing indebtedness of the Borrower to the Bank under the Promissory Note of the Borrower, dated November 8, 1976, in the principal amount of \$210,000.00, payable to the order of the Bank (the "Note"); and

WHEREAS, under a Guaranty, dated November 10, 1976, and limited to the amount of \$210,000.00 plus certain other sums (the "Guaranty"), the General Partner has guaranteed payment of all obligations of the Borrower to the Bank arising pursuant to the Note and the Security Agreement; and

WHEREAS, the General Partner and the Bank have also heretofore entered into a Letter Agreement, dated November 16, 1976 (the "Letter Agreement"), whereby moneys in the General Partner's Restricted Account (as defined therein) may, under certain conditions, be applied by the Bank toward installments due under the Note; and

WHEREAS, certain Events of Default have occurred under the terms of the Security Agreement, and the Bank, by letters to the Borrower and to the General Partner, dated December 5, 1979 (the "Acceleration Letters"), has declared the entire unpaid balance of the Note to be immediately due and payable and has demanded immediate payment of the same, together with all accrued interest thereon; and

WHEREAS, the parties hereto desire to (a) amend the Security Agreement and the Note, (b) continue the Guaranty, and (c) terminate the Letter Agreement, in exchange for the Bank's waiver of the foregoing Events of Default and withdrawal of the Acceleration Letters as hereinafter set forth;

NOW, THEREFORE, in consideration of the premises contained herein, and for other good and valuable consideration, receipt whereof is hereby acknowledged, the parties hereby agree as follows:

A. THE SECURITY AGREEMENT. The Security Agreement shall be amended as follows:

1. The second full paragraph of the Security Agreement shall be amended to read in its entirety as follows:

"WHEREAS, Borrower is indebted to Bank under that certain promissory note of Borrower, dated November 8, 1976, in the principal amount of \$210,000.00, payable to the order of Bank (hereinafter, together with all amendments, renewals or extensions thereof, called the 'Note')."

2. Subparagraph 3.9 of paragraph 3 of the Security Agreement shall be amended by (a) deleting the numeral "90" in the first line thereof and inserting in lieu thereof the numeral "180", and (b) deleting the numeral "45" in the fifth line thereof and inserting in lieu thereof the numeral "90".
3. The fourth full paragraph within paragraph 4 of the Security Agreement shall be amended to read in its entirety as follows:

"All Rental received by Bank pursuant to the provisions hereof, all insurance proceeds received by Bank on account of any loss, damage or destruction to the Equipment and all other amounts received by Bank pursuant to this Agreement shall be deposited by Bank in a special cash collateral deposit account in the name of Borrower maintained by Bank (hereinafter called 'Borrower's Restricted Account') and applied as follows: On each date on which an installment payment is due and payable by Borrower under the Note (hereinafter called a 'Note installment date'), Bank may apply any moneys then on deposit in Borrower's Restricted Account, which application, if made, shall be made in the following order (hereinafter, together with the proviso below, called the 'Agreed Order of Application'), until all such moneys are exhausted: (a) first, to the payment of interest accrued on any unpaid principal of the Note to the date of such payment, (b) then to the payment of any unpaid installments of principal then due under the Note, and (c) finally, to the payment of any unpaid installments of principal not then due under the Note in the inverse order of the maturity of such installments; provided, however, that if on any Note installment date any Event of Default or any event which might mature into an Event of Default has occurred and is continuing, such moneys may be applied in such order of application as Bank may determine to any unpaid interest or principal on the Note (whether or not then due and payable) and/or to any other amounts payable by Borrower under this Agreement."

4. The fifth full paragraph within paragraph 4 of the Security Agreement shall be amended by (a) deleting the first sentence thereof, and (b) amending the third sentence thereof to read in its entirety as follows:

"Nothing contained herein shall preclude the deposit of any other amounts in Borrower's Restricted Account; provided, however, that such other amounts shall be applied by Bank in the Agreed Order of Application as set forth in the preceding provision."

5. Subparagraph (e) of paragraph 6 of the Security Agreement shall be amended by (a) deleting the numeral "90" in the eighth line thereof and inserting in lieu thereof the numeral "180", and

(b) deleting the numeral "45" in the thirteenth line thereof and inserting in lieu thereof the numeral "90".

6. The ninth full paragraph within paragraph 10 of the Security Agreement shall be amended by (a) deleting the period in the third line thereof and inserting in lieu thereof a comma, and (b) inserting after such comma the following clause:

"and shall also pay all reasonable out-of-pocket expenses (including reasonable attorneys' fees and legal expenses) incurred by Bank in enforcing the obligations of Borrower or General Partner under this Agreement or under the Note."
7. The eleventh full paragraph within paragraph 10 of the Security Agreement shall be amended by (a) deleting the phrase "Section 20c of the Interstate Commerce Act" therefrom, and (b) inserting in lieu thereof the phrase "49 U.S.C.A. §11303, or any successor provision thereto".
8. All references in the Security Agreement to "this Agreement", "hereunder", "hereof", or words of like import, shall be deemed to refer to the Security Agreement, as herein amended.
9. The Bank hereby waives, as of the date hereof, the occurrence, prior hereto, of any Event of Default under subparagraph (a) of paragraph 7 of the Security Agreement arising from any default, and continuance thereof for 10 days, in the payment of any principal or interest due on or before October 1, 1980, with respect to the Note, as in effect prior to amendment herein; provided, however, that the waiver herein shall relate solely to the occurrence, prior hereto, of any such Event of Default arising as aforesaid, and, irrespective of this waiver or any prior waiver or course of conduct by the Bank, any payment of principal or interest due on or after November 21, 1980, with respect to the Note, as amended in Section C hereinafter, shall be paid when due.
10. The Bank hereby waives, as of the date hereof, the occurrence, prior hereto, of an Event of Default under subparagraph (d) of paragraph 7 of the Security Agreement, arising from the General Partner's failure to furnish to the Bank when due a copy of the annual audited report of the General Partner as at December 31, 1978, signed by independent certified public accountants satisfactory to the Bank, as required under subparagraph (e) of paragraph 6 of the Security Agreement, as in effect prior to amendment herein, and continuance of such default for 30 days after notice to the Borrower and to the General Partner from the Bank by letters dated October 17, 1979; provided, however, that the waiver herein shall relate solely to the occurrence, prior hereto, of such Event of Default arising as aforesaid, and the General Partner shall be required to furnish a copy of its annual audited reports to the Bank when due as provided in subparagraph (e) of paragraph 6 of the Security Agreement, as herein amended.

11. The parties hereby agree that the declaration of the Bank, contained in the Acceleration Letters, that the unpaid balance of the Note was immediately due and payable, is hereby withdrawn; and in consideration thereof, the parties further agree that the terms of the Note and the Security Agreement shall be reinstated among, and shall be binding upon, the parties as if the indebtedness evidenced by the Note had not been accelerated by the Bank; provided, however, that the terms of the Note and the Security Agreement, and the parties' respective obligations thereunder, shall be subject to this Amendment.

12. Except as expressly amended or waived herein, the Security Agreement shall remain in full force and effect in accordance with the terms thereof.

B. THE ACCELERATION LETTER. The Bank hereby withdraws the Acceleration Letters and all declarations and demands of the Bank contained therein.

C. THE NOTE. The Note shall be amended as follows:

1. The first full paragraph of the Note shall be amended by (a) deleting the phrase "first banking business day, for banks in Chicago," in the fifth line thereof and inserting in lieu thereof the phrase "twentieth day", and (b) deleting the amount "\$86,000" in the seventh line thereof and inserting in lieu thereof the phrase "a final installment, equal to the remaining unpaid principal balance,".

2. The second full paragraph of the Note shall be amended by (a) inserting after the word "hereof" in the second line thereof and before the word "between" in the third line thereof, the parenthetical phrase "(and all amendments thereto)", and (b) inserting after the word "accelerated" and before the period in the fifth line thereof the phrase "and the principal amount hereunder may be prepaid".

3. Except as expressly amended herein, the Note shall remain in full force and effect in accordance with the terms thereof.

D. GUARANTY. The Guaranty shall continue in full force and effect and shall apply in all respects to the Liabilities (as defined therein), including but not limited to all obligations of the Borrower to the Bank, howsoever evidenced, now or hereafter arising pursuant to the Note and the Security Agreement, both as herein amended.

E. THE LETTER AGREEMENT. The Letter Agreement is hereby terminated, and the Borrower and the General Partner agree that all moneys on deposit as of the date hereof in the General Partner's Restricted Account (as defined in the Letter Agreement) shall be applied by the Bank (i) to the payment of attorneys' fees in the amount of \$ 1,355.00 incurred by the Bank in connection with the preparation of this

Amendment, (ii) then to the payment of out-of-pocket expenses (including attorneys' fees and legal expenses), in the amount of \$ 1,431.00 incurred by the Bank because of defaults by the Borrower or the General Partner under the Security Agreement, prior to amendment herein, and (ii) finally, in the Agreed Order of Application as set forth in paragraph 4 of the Security Agreement, as herein amended.

F. GENERAL.

1. In order to induce the Bank to enter into this Amendment, the Borrower and the General Partner each severally warrant to the Bank that:
 - (a) The Borrower is a limited partnership duly organized and existing and in good standing under the California Uniform Limited Partnership Act, with full power and authority to execute and deliver this Amendment, to perform its obligations hereunder and under the Note and the Security Agreement, both as amended herein, and under any other instrument executed pursuant thereto, and to own and operate its properties and to carry on its business as presently conducted;
 - (b) The General Partner is a duly existing corporation under the laws of the State of California and is the sole general partner of the Borrower and has the power and authority to act as a general partner of the Borrower; all actions necessary to constitute the General Partner as Borrower's general partner have been duly taken; the General Partner has the power and authority to execute and deliver this Amendment, to perform this Amendment, the Note, as herein amended, the Security Agreement, as herein amended, and the Leases (as defined therein) on behalf of the Borrower, and to take any other action on Borrower's behalf which is required of Borrower by this Amendment or the Note, as herein amended, or the Security Agreement, as herein amended, or the Leases; and all such actions will be valid and legally binding on the Borrower, and all necessary corporate action has been taken to authorize such actions;
 - (c) The execution and delivery of this Amendment, and the performance by the Borrower of its obligations hereunder, under the Security Agreement and the Note, both as amended herein, and under the Leases, do not and will not conflict with any provision of law or of the Agreement of Limited Partnership of the Borrower or any provision of any existing indenture or agreement of the Borrower; and this Amendment, and the Note and the Security Agreement, both as amended herein, and the Leases are valid, legal and binding obligations of the Borrower;
 - (d) Borrower has furnished to the Bank copies of the executed Agreement of Limited Partnership (including the application forms of the limited partners of Borrower) of Borrower and of the Certificate of Formation of Borrower, and such documents as submitted have not been further amended, are in effect and legally valid;

- (e) No litigation or governmental proceedings are pending, or, to the knowledge of Borrower, threatened, against or affecting Borrower, and Borrower has no contingent liabilities not provided for or disclosed in the financial statement referred to in subparagraph (g) of this paragraph 1;
 - (f) Borrower is not in default in the payment of any indebtedness representing any borrowing or financing or any other material indebtedness or under any law or governmental regulation, agreement or other instrument or court decree or order materially affecting its property or business, or aware of any facts or circumstances which would give rise to any such default;
 - (g) Borrower's unaudited financial statement as at June 30, 1980, a copy of which has been furnished to the Bank, has been prepared in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding fiscal year and presents fairly the financial condition of Borrower as at such date, and since such date there has been no material adverse change in its financial condition;
 - (h) There are no defaults existing or, to the knowledge of Borrower threatened, under the Leases;
 - (i) Borrower is the lawful owner, free and clear of all liens and encumbrances (except any security interest or lien granted pursuant to the Security Agreement in favor of Bank), to the maximum extent permitted by law, of the Leases, the Equipment (as defined in the Security Agreement), and of all sums due and to become due Borrower under the Leases, and such ownership interest is protected against all persons whomsoever, to the maximum extent permitted by law, except for (i) the rights under the Leases of the lessee (the "Lessee") to use the Equipment during the term of the Leases and to purchase the Equipment pursuant to the present purchase option contained therein, and (ii) any security interest or lien granted to the Bank pursuant to the Security Agreement;
 - (j) Borrower and the Lessee have made no agreement with respect to the Leases or with respect to the Equipment leased thereunder other than as set forth in the Leases;
 - (k) No sum due or to become due under the Leases from the Lessee is subject to any existing offset, counter-claim or other defense on the part of the Lessee; and
 - (l) All factual information heretofore or contemporaneously furnished by or on behalf of Borrower in writing to the Bank is true and accurate in every material respect.
2. In order to induce the Bank to enter into this Amendment, the General Partner warrants to the Bank that:
- (a) The General Partner has duly and properly amended its charter to legally change its corporate name from Professional

Lease Management, Inc. to PLM, Inc. and has the power and authority to execute and deliver this Amendment, to perform its obligations hereunder and under the Security Agreement, as herein amended, the Guaranty, as applicable to all Liabilities (as defined therein), including but not limited to all obligations of the Borrower to the Bank under the Note and the Security Agreement, both as amended herein, and under any other instrument executed pursuant thereto; and all such actions are, or when taken will be, valid and legally binding on the General Partner, and all necessary corporate action has been taken to authorize such actions;

- (b) The execution and delivery of this Amendment, and the performance by the General Partner of its obligations hereunder, under the Security Agreement, as herein amended, and under the Guaranty, do not and will not conflict with any provision of law or of the charter or by-laws of the General Partner or any provision of any existing indenture or agreement of the General Partner; and this Amendment, the Security Agreement, as herein amended, and the Guaranty are valid, legal and binding obligations of the General Partner; and
 - (c) The General Partner's unaudited financial statement as at June 30, 1980, a copy of which has been furnished to the Bank, has been prepared in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding fiscal year and presents fairly the financial condition of the General Partner as at such date, and since such date there has been no material adverse change in its financial condition,
3. The Borrower and the General Partner shall deliver to the Bank concurrently herewith the following, in form and substance satisfactory to the Bank:
- (a) A certified copy of resolutions of the board of directors of the General Partner authorizing or ratifying:
 - (i) The execution and delivery by the General Partner, on behalf of the Borrower, of this Amendment, and the performance by the General Partner, on behalf of the Borrower, of this Amendment, the Note and the Security Agreement, both as herein amended, and the Leases, and any other action on the Borrower's behalf which is required of the Borrower by this Amendment, or the Note or the Security Agreement, both as herein amended, and the Leases; and
 - (ii) The execution and delivery by the General Partner, on its own behalf, of this Amendment, and the performance by the General Partner of its obligations under this Amendment, the Security Agreement, as amended herein, the Guaranty, as applicable to all Liabilities (as defined therein), including but not limited to all obligations of the Borrower to the Bank under the Note and the Security Agreement, both as amended

herein, and under any other instrument executed pursuant thereto; and

- (b) Opinions of counsel for the Borrower and the General Partner to the effect that:
- (i) The Borrower is a limited partnership duly organized and existing and in good standing under the California Uniform Limited Partnership Act, with full power and authority to execute and deliver this Amendment, to perform its obligations hereunder and under the Note and the Security Agreement, both as amended herein, and under any other instrument executed pursuant thereto, and to own and operate its properties and to carry on its business as presently conducted;
 - (ii) The General Partner is a duly existing corporation under the laws of the State of California and is the sole general partner of the Borrower and has the power and authority to act as a general partner of the Borrower; all actions necessary to constitute the General Partner as Borrower's general partner have been duly taken; the General Partner has the power and authority to execute and deliver this Amendment, to perform this Amendment, the Note, as herein amended, the Security Agreement, as herein amended, and the Leases on behalf of the Borrower, and to take any other action on Borrower's behalf which is required of Borrower by this Amendment or the Note, as herein amended, or the Security Agreement, as herein amended or the Leases; and all such actions will be legally binding on Borrower, and all necessary corporate action has been taken to authorize such actions;
 - (iii) The General Partner has duly and properly amended its charter to legally change its corporate name from Professional Lease Management, Inc. to PLM, Inc., and has the power and authority to execute and deliver this Amendment, to perform its obligations hereunder and under the Security Agreement, as herein amended, the Guaranty, as applicable to all Liabilities (as defined therein), including but not limited to all obligations of the Borrower to the Bank under the Note and the Security Agreement, both as amended herein, and under any other instrument executed pursuant thereto; and all such actions are, or when taken will be, valid and legally binding on the General Partner, and all necessary corporate action has been taken to authorize such actions; and
 - (iv) The execution and delivery of this Amendment, and the performance by the Borrower and the General Partner of their respective obligations hereunder, under the Security Agreement and the Note, both as amended herein, and under the Guaranty and the Leases, do not and will not conflict with any provision of law or of

the Agreement of Limited Partnership of the Borrower or the charter or by-laws of the General Partner or any provision of any existing indenture or agreement of the Borrower or the General Partner of which counsel has knowledge; and this Amendment, and the Note and the Security Agreement, both as amended herein, are valid, legal and binding obligations of the Borrower, and this Amendment, the Security Agreement, as amended herein, and the Guaranty are valid, legal and binding obligations of the General Partner.

4. Borrower shall cause this Amendment to be filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C.A. §11303 (1980) and in accordance with the provisions of the eleventh full paragraph within paragraph 10 of the Security Agreement, as herein amended.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the date above first written.

[Corporate Seal]

ATTEST:

Secretary

[Corporate Seal]

PLM FLAT CAR PROGRAM 1976

By PLM, Inc., as Sole General Partner

By

President

ATTEST:

Secretary

[Corporate Seal]

PLM, INC.

By

President

ATTEST:

Secretary

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO

By

Vice President

STATE OF CALIFORNIA)

) SS:
COUNTY OF SAN FRANCISCO)

On this 3rd day of November, 1980, before me personally appeared Mark C. Hungerford, to me personally known, who being by me duly sworn, says that he is the President of PLM, Inc., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation, in its own right and also as general partner of PLM Flat Car Program 1976, by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Notarial Seal]



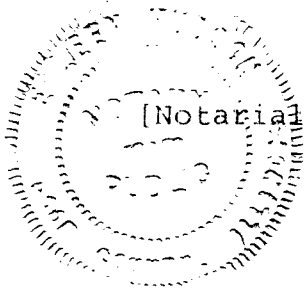
Sheldon T. Perkins
Notary Public

My commission expires

8/17/84

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

On this 6th day of November, 1980, before me personally appeared JAMES R. COUNTER, to me personally known, who being by me duly sworn, says that he is the VICE PRES of Continental Illinois National Bank and Trust Company of Chicago, that the seal affixed to the foregoing instrument is the corporate seal of said bank, that said instrument was signed and sealed on behalf of said bank by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said bank.



[Notarial Seal]

Eileen Hudson
Notary Public

My commission expires

Oct 11, 1982